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Gannett pays \$17.7 million in San Bernardino purchase

STAT

Rochester, N.Y.

✓ A stock purchase agreement under which Gannett Co. Inc. will purchase all stock of the Sun Company, publisher of the *San Bernardino* California newspapers, from Times-Mirror Company of Los Angeles calls for \$17,700,000 cash.

✓ Announcement of the contract signing was made by Paul Miller, president of Gannett Company, publishing and broadcasting firm headquartered here.

The proposed purchase must be submitted for approval to the United States District Court for the Central District of California. The District Court ordered Times-Mirror to sell the Sun Company as a result of an action brought by the Department of Justice contending the acquisition in 1964 for \$15 million cash violated federal anti-trust laws.

Officials of Gannett and Times-Mirror said the formal closing of the transaction would be in early January, 1969.

Gannett publishes newspapers and operates television and radio stations in five states, but none in the West. It has 30 daily newspapers and nine broadcast stations in New York, New Jersey, Connecticut, Illi-

nois, and Florida.

Miller said the purchase of the San Bernardino newspapers "will not materially affect per share earnings of the Gannett Co. in 1969, but we are, of course, enthusiastic about the outlook for long range growth and development."

Gross revenues for the Sun Company in 1967 were \$10 million. Gross operating revenues for the Gannett Co. in the same period were \$110 million.

At the time agreement in principle for the sale was announced, there was published speculation the price would be around \$24 million.

The Sun Company embraces:

The morning *Sun* and evening *Telegram* on weekdays, with a combined circulation of 78,000. The *Sun-Telegram*, with a circulation of 80,000, is published Saturdays and Sundays.

Acme Colorprint Co., which prints Sunday comics for 52 newspapers in the West.

Inland Printing and Engraving Co., a commercial printer and engraver.

The company also owns substantial real estate in downtown San Bernardino.

The Sun Company reported net income of \$569,022 for 1967.

MORI/CDF